

## Shivalik Bimetal Controls Limited

### Performance Evaluation Policy

The following "Performance Evaluation Policy" is for the use to the Board of Directors of Shivalik Bimetal Controls Limited ("Company").

#### INTRODUCTION

The Company conducts its operations under the overall direction of the Board of Directors within the framework laid down by various statutes, more particularly by the Companies Act, 2013; the Articles of Association, listing agreement with stock exchanges, internal code of conduct and policies formulated by the Company for its internal execution.

The Company's Board of Directors is dedicated to act in good faith; exercise their judgment on an informed basis and in the best interest of the company and its stakeholders. Accordingly, the Company has made "Performance Evaluation Policy" of the Board of Directors in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and also the formal annual evaluation made by the Board of Directors of its own performance (self-appraisals) and that of its committees and individual Directors as mentioned under the clause (p) of sub-section (3) of Section 134 of the Companies Act, 2013. The Nomination & Remuneration Committee shall evaluate the performance of the each Director as per sub- section (2) of Section 178 and based on the functions of the Board of Directors as indicated under Schedule IV (as per section 149) annexed to the Companies Act, 2013 and the Rules made there under.

As one of the most important functions of the Board of Directors is to oversee the functioning of Company's top management, this Board Performance Evaluation process aims to ensure that individual directors ("Directors") and the Board of Directors of the Company ("Board") as a whole work efficiently and effectively in achieving Company's objectives. This policy aims at establishing a procedure for the Board to conduct periodic evaluation of its own performance and of its committees and individual directors. Hence it is important that every individual Board Member effectively contributes in the Board deliberations.

#### EVALUATION PROCESS

It shall be the duty of the Company to organize the evaluation process and accordingly conclude the steps required to be taken.

The Board of Directors shall undertake the performance evaluation on an annual basis.

In conformity with the requirement of the Act, the performance evaluation of all the independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

## INDEPENDENT DIRECTORS

Some of the specific issues and questions that should be considered in the performance evaluation of an Independent Director (the exercise in which the concerned director being evaluated shall not be included) are set out below:

S. No.	Assessment Criteria
1.	Attendance and participations in the Meetings.
2.	Adherence to ethical standards & code of conduct of Company and Disclosure of non-independence, as and when it exists and disclosure of interest.
3.	Constructive contribution to resolutions.

## NON-INDEPENDENT DIRECTORS / CHAIRMAN/MD/ WTD

Some of the specific issues and questions that should be considered in a performance evaluation of Non-Independent Director/Chairman/MD/WTD are set out below:

S. No.	Assessment Criteria
1.	Attendance, participations in the Meetings and timely inputs on the minutes of the meetings.
2.	Contribution towards growth of the Company including actual vis-a-vis budgeted performance.
3.	Leadership initiative.
4.	Adherence to ethical standards & code of conduct of Company.
5.	Team work attributes and supervising & training of staff members.
6.	Compliance with policies, Reporting of frauds, violation etc. And disclosure of interest.
7.	Safeguarding of interest of whistle blowers under vigil mechanism and Safeguard of confidential information.

## BOARD OF DIRECTORS

Some of the specific issues and questions that should be considered in a performance evaluation of the entire Board by the Independent Directors are set out below:

<b>S. No.</b>	<b>Assessment Criteria</b>
1.	Is the composition of the board appropriate with the right mix of knowledge and skills required to drive organizational performance in the light of future strategy?
2.	Members of the board meet all applicable independence requirements.
3.	The Board of Directors is effective in establishing a corporate environment that promotes timely and effective disclosure, fiscal accountability, high ethical standards and compliance with applicable laws and regulations.
4.	The Board of Directors is effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.
5.	The Board receives regular financial updates and takes all necessary steps to ensure the operations of the organization are sound and reviews the organization's performance in carrying out the stated mission on a regular basis.
6.	Board meetings are conducted in a manner that encourages open communication, meaningful participation, and timely resolution of issues.
7.	The Board oversees the role of the independent auditor from selection to termination and has an effective process to evaluate the independent auditor's qualifications and performance (through its Audit Committee).
8.	Company has a system for Corporate Social Responsibility, Stakeholder Relationships and for prohibition of insider trading.
9.	Company has necessary Committees which are required and these Committees are working effectively.

## **REVIEW**

The Nomination and Remuneration Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company. The Policy may be amended by passing a resolution in a meeting of the Committee.

## **DISCLOSURE**

**Shivalik** will disclose details of its Board Performance Evaluation processes in its Board's/Annual Report. The Policy will be available in the public domain i.e. on the website of the Company.